

CITY OF BISMARCK EMPLOYEES PENSION FUND
INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2003

	October-03				September-03				Current	Prior Year	3 Years	5 Years
	Allocation		Month		Allocation		Quarter		Fiscal YTD	FY03	Ended	Ended
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net ROR	Net ROR	6/30/2003 Net	6/30/2003 Net
LARGE CAP DOMESTIC EQUITY												
<i>Structured Growth</i>												
LA Capital	1,254,289	5.1%	5.1%	5.17%	1,191,943	5.0%	5.1%	N/A	N/A	N/A	N/A	N/A
AllianceBernstein	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	-1.48%	-20.46%	-5.64%
Total Structured Growth	1,254,289	5.1%	5.1%	5.17%	1,191,943	5.0%	5.1%	6.61%	12.13%	-1.48%	-20.46%	-5.64%
<i>Russell 1000 Growth</i>				5.62%				3.92%	9.75%	2.93%	-21.55%	-5.04%
<i>Structured Value</i>												
LSV	1,334,646	5.4%	5.1%	7.45%	1,244,918	5.3%	5.1%	3.33%	11.03%	-2.05%	9.06%	3.95%
<i>Russell 1000 Value</i>				6.12%				2.06%	8.31%	-1.02%	-2.19%	-0.17%
<i>Enhanced Russell 1000 Index</i>												
LA Capital	1,273,255	5.2%	5.1%	5.64%	1,204,786	5.1%	5.1%	2.87%	8.68%	1.08%	N/A	N/A
<i>Russell 1000</i>				5.86%				3.00%	9.04%	0.96%	N/A	N/A
<i>Enhanced S&P 500 Index</i>												
Northern Trust	1,197,859	4.9%	5.1%	5.63%	1,133,812	4.8%	5.1%	2.50%	8.26%	0.28%	N/A	N/A
Strong	1,231,327	5.0%	5.1%	5.80%	1,165,628	4.9%	5.1%	2.89%	8.86%	3.30%	N/A	N/A
Westridge	1,308,232	5.3%	5.1%	5.69%	1,237,505	5.2%	5.1%	2.65%	8.49%	0.56%	N/A	N/A
Total Enhanced S&P 500 Index	3,737,419	15.2%	15.4%	5.71%	3,536,945	15.0%	15.4%	2.68%	8.54%	1.35%	N/A	N/A
<i>S&P 500</i>				5.66%				2.64%	8.45%	0.24%	N/A	N/A
<i>S&P 500 Index</i>												
State Street	848,919	3.5%	3.4%	5.65%	803,500	3.4%	3.4%	2.64%	8.44%	0.31%	-11.14%	-1.58%
<i>S&P 500</i>				5.66%				2.64%	8.45%	0.24%	-11.20%	-1.61%
TOTAL LARGE CAP DOMESTIC EQUITY	8,448,528	34.3%	34.3%	5.88%	7,982,093	33.8%	34.3%	3.02%	9.08%	0.49%	-9.68%	-2.32%
<i>S&P 500</i>				5.66%				2.64%	8.45%	0.24%	-11.20%	-1.61%
SMALL CAP DOMESTIC EQUITY												
<i>Manager-of-Managers</i>												
SEI	3,024,283	12.3%	10.7%	8.81%	2,778,741	11.8%	10.7%	9.68%	19.34%	0.68%	N/A	N/A
<i>Russell 2000 + 200bp</i>				8.56%				9.60%	18.99%	0.37%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	3,024,283	12.3%	10.7%	8.81%	2,778,741	11.8%	10.7%	9.68%	19.34%	0.68%	-3.37%	-0.65%
<i>Russell 2000</i>				8.40%				9.07%	18.23%	-1.64%	-3.30%	0.97%
INTERNATIONAL EQUITY												
<i>Large Cap - Core</i>												
State Street	162,796	0.7%	0.6%	6.10%	153,377	0.6%	0.6%	6.08%	12.55%	-9.96%	-13.28%	-4.72%
<i>MSCI EAFE - 50% Hedged</i>				5.70%				6.58%	12.65%	-11.24%	-14.65%	-4.18%
<i>Large Cap - Active</i>												
Capital Guardian	398,593	1.6%	1.5%	6.64%	373,033	1.6%	1.5%	7.45%	14.58%	-11.30%	-14.96%	0.47%
Bank of Ireland	74,141	0.3%	0.3%	4.34%	70,979	0.3%	0.3%	2.64%	7.10%	-10.28%	N/A	N/A
Total Large Cap - Active	472,734	1.9%	1.8%	6.27%	444,012	1.9%	1.8%	6.65%	13.34%	-11.12%	-14.58%	0.74%
<i>MSCI EAFE - 50% Hedged</i>				5.70%				6.58%	12.65%	-11.24%	-14.65%	-4.18%
<i>Small Cap - Active</i>												
Lazard	77,378	0.3%	0.3%	5.04%	81,332	0.3%	0.3%	10.66%	16.23%	-2.32%	N/A	N/A
Wellington	90,435	0.4%	0.3%	5.93%	85,327	0.4%	0.3%	17.22%	24.17%	5.97%	N/A	N/A
Total Small Cap - Active	167,814	0.7%	0.6%	5.49%	166,659	0.7%	0.6%	13.94%	20.20%	1.75%	N/A	N/A
<i>Citigroup Broad Market Index < \$2BN</i>				6.90%				15.95%	23.96%	3.91%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	803,343	3.3%	3.0%	6.07%	764,048	3.2%	3.0%	8.04%	14.59%	-8.22%	-12.63%	-0.99%
<i>MSCI EAFE - 50% Hedged</i>				5.70%				6.58%	12.65%	-11.24%	-14.65%	-4.18%
EMERGING MARKETS EQUITY												
Capital Guardian	450,264	1.8%	1.5%	7.31%	419,608	1.8%	1.5%	14.62%	23.00%	7.15%	-10.61%	1.62%
<i>MSCI Emerging Markets Free</i>				8.51%				14.23%	23.95%	6.96%	-7.07%	2.49%
DOMESTIC FIXED INCOME												
<i>Core Bond</i>												
Western Asset	1,200,497	4.9%	5.1%	-0.42%	1,205,418	5.1%	5.1%	-0.47%	-0.89%	13.42%	11.88%	8.58%
<i>Lehman Aggregate</i>				-0.93%				-0.15%	-1.08%	10.39%	10.07%	7.54%
<i>Active Duration</i>												
WestAM (Criterion)	1,179,302	4.8%	5.1%	-0.96%	1,191,442	5.0%	5.1%	-0.40%	-1.35%	9.93%	9.39%	6.85%
<i>Lehman Aggregate</i>				-0.93%				-0.15%	-1.08%	10.39%	10.07%	7.54%
<i>Index</i>												
Bank of ND	1,889,566	7.7%	8.8%	-1.29%	1,914,207	8.1%	8.8%	-0.73%	-2.02%	12.59%	11.06%	7.79%
Bank of ND Match Loan CD Program	294,234	1.2%	1.2%	0.48%	292,841	1.2%	1.2%	1.43%	1.91%	5.83%	5.84%	5.85%
Total Index	2,183,800	8.9%	10.0%	-0.90%	2,207,047	9.3%	10.0%	-0.21%	-1.11%	10.77%	10.08%	7.44%
<i>Lehman Gov/Credit</i>				-1.27%				-0.50%	-1.76%	13.15%	10.82%	7.83%

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	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net ROR	Net ROR	6/30/2003 Net	6/30/2003 Net
Convertibles												
TCW	1,276,104	5.2%	5.1%	4.10%	1,226,445	5.2%	5.1%	1.84%	6.02%	10.37%	-9.08%	N/A
First Boston Convertible Index				3.27%				2.67%	6.03%	15.35%	-3.81%	N/A
BBB Average Quality												
Strong	1,205,112	4.9%	5.1%	-0.96%	1,216,038	5.1%	5.1%	0.16%	-0.80%	14.81%	10.35%	N/A
Lehman BBB				-0.91%				0.27%	-0.64%	18.33%	9.91%	N/A
Timberland												
Evergreen (Wachovia)	2,387,113	9.7%	9.7%	6.22%	2,246,346	9.5%	9.5%	-0.15%	6.06%	12.50%	N/A	N/A
											N/A	N/A
TOTAL DOMESTIC FIXED INCOME	9,431,927	38.3%	40.0%	1.46%	9,292,738	39.3%	40.0%	0.11%	1.57%	11.62%	6.95%	6.77%
Lehman Aggregate				-0.93%				-0.15%	-1.08%	10.39%	10.07%	7.54%
HIGH YIELD BONDS												
Western Asset	820,540	3.3%	3.5%	1.82%	805,871	3.4%	3.5%	1.99%	3.84%	20.04%	2.51%	4.15%
Lehman High Yield Bond Index				2.02%				2.77%	4.85%	22.77%	5.44%	2.66%
INTERNATIONAL FIXED INCOME												
International Sovereign												
UBS Global (Brinson)	223,609	0.9%	1.0%	-0.25%	224,105	0.9%	1.0%	3.18%	2.92%	18.20%	8.47%	5.93%
Citigroup Non-US Gov't Bond Index (1)				-0.23%				2.75%	2.51%	17.91%	8.10%	6.29%
International Core												
Brandywine	218,842	0.9%	1.0%	-0.26%	219,329	0.9%	1.0%	1.51%	1.24%	N/A	N/A	N/A
Lehman Global Aggregate (ex-US)				-0.28%				2.76%	2.47%	N/A	N/A	N/A
TOTAL INTERNATIONAL FIXED INCOME	442,450	1.8%	2.0%	-0.25%	443,434	1.9%	2.0%	2.34%	2.08%	17.83%	8.36%	5.86%
Citigroup Non-US Gov't Bond Index (1)				-0.23%				2.75%	2.51%	17.91%	8.10%	6.29%
REAL ESTATE												
J.P. Morgan	672,597	2.7%	3.0%	1.05%	665,609	2.8%	3.0%	2.43%	3.50%	7.80%	7.36%	10.23%
NCREIF TOTAL INDEX				0.65%				1.97%	2.64%	7.64%	8.51%	10.16%
ALTERNATIVE INVESTMENTS												
Coral Partners V	45,833			0.00%	40,837			-6.88%	-6.88%	-22.52%	-20.83%	-9.87%
Coral Partners V - Supplemental	2,384			0.00%	2,124			-15.67%	-15.67%	-28.36%	N/A	N/A
Coral Partners VI	7,460			0.00%	6,647			-12.18%	-12.18%	N/A	N/A	N/A
Brinson 1998 Partnership Fund	7,773			0.00%	7,453			4.07%	4.07%	-14.73%	-11.35%	1.31%
Brinson 1999 Partnership Fund	10,334			0.00%	9,208			0.98%	0.98%	-16.31%	-14.42%	N/A
Brinson 2000 Partnership Fund	18,036			0.00%	14,805			0.67%	0.67%	-13.99%	-9.08%	N/A
Brinson 2001 Partnership Fund	5,719			0.00%	5,095			0.43%	0.43%	-5.98%	N/A	N/A
Brinson 2002 Partnership Fund	3,870			0.00%	3,448			12.21%	12.21%	9.08%	N/A	N/A
Brinson 2003 Partnership Fund	375			0.00%	334			-3.58%	-3.58%	N/A	N/A	N/A
Brinson 1999 Non-US Partnership Fund	5,659			0.00%	5,042			6.32%	6.32%	13.12%	2.21%	N/A
Brinson 2000 Non-US Partnership Fund	6,963			0.00%	6,204			2.82%	2.82%	9.50%	-1.63%	N/A
Brinson 2001 Non-US Partnership Fund	3,803			0.00%	3,388			7.50%	7.50%	-0.41%	N/A	N/A
Brinson 2002 Non-US Partnership Fund	5,261			0.00%	4,688			3.71%	3.71%	5.34%	N/A	N/A
Brinson 2003 Non-US Partnership Fund	342			0.00%	305			-0.05%	-0.05%	N/A	N/A	N/A
Brinson BVCF IV	27,618			0.00%	24,608			-1.02%	-1.02%	-14.64%	-18.80%	N/A
Matlin Patterson Global Opportunities	58,968			0.00%	50,027			0.00%	0.00%	N/A	N/A	N/A
InvestAmerica	7,891			0.00%	7,031			0.00%	0.00%	-12.50%	N/A	N/A
Hearthstone MSII	12,304			0.00%	9,503			5.06%	5.06%	28.98%	13.57%	N/A
Hearthstone MSIII	9,817			0.00%	1,187			N/A	N/A	N/A	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (2)	240,411	1.0%	1.0%	0.00%	201,935	0.9%	1.0%	-1.01%	-1.01%	-9.78%	-11.48%	-6.74%
CASH EQUIVALENTS												
Northern Trust STIF/STEP	264,538	1.1%	1.0%	0.13%	290,597	1.2%	1.0%	0.35%	0.48%	1.84%	3.33%	4.22%
90 Day T-Bill				0.08%				0.25%	0.32%	1.52%	3.33%	4.07%
TOTAL FUND	24,598,882	100.0%	100.0%	4.01%	23,644,673	100.0%	100.0%	2.91%	7.04%	6.14%	-0.87%	2.85%
POLICY TARGET BENCHMARK				2.85%				2.47%	5.39%	5.65%	-0.08%	3.59%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.